

By Neal Goswami, Bennington Banner

Vermont Rep. Peter Welch joined fellow Democrats in hailing passage of "pay-as-you-go" legislation Thursday that is aimed at slamming the brakes on spending in Washington.

The U.S. House's 233 to 187 vote on Thursday sends the legislation, originally sponsored last year by Welch, to the president's desk for signature. The Senate passed the legislation, known as PAYGO, last week on a party line vote, 60 to 40, with the chamber's two independents voting with the majority Democrats.

The law will require lawmakers to pay for new spending and entitlement programs by including corresponding cuts in spending or raising additional revenue through taxes.

"If we fail to exercise fiscal discipline and restraint, we will not be able to afford our highest priorities, like job creation, health care reform and clean energy. Perhaps more importantly, we will lose the confidence of taxpayers that they can trust us with their money," Welch said following the vote.

Welch, a self-described progressive Democrat, joined Democratic heavyweights on a conference call with reporters Thursday to tout the legislation. "Americans understand that good intentions don't pay the bills," he said. Statutory pay-as-you-go legislation is "not a gimmick," he said, and will force fiscal discipline.

"It's an obvious, common sense way to go, and I'm happy to be part of this," Welch said, who joined President Barack Obama at the White House last summer when the legislation was first introduced.

PAYGO is part of legislation that increases the country's debt ceiling by \$1.9 trillion to \$14.3 trillion. The increase means lawmakers won't have to seek additional wiggle room until after November's mid-term elections.

PAYGO won't impact debt the country has already amassed, but should help slow annual deficit spending.

Republicans largely oppose the measure, though, saying it will green-light tax increases instead of forcing fiscal discipline. And, they maintain the legislation is filled with loopholes that will allow Democrats, who control both the House and Senate, to continue spending increases.

Former President Bill Clinton cheered his fellow Democrats on in Thursday's conference call. "I think it is important for our party because it reminds people that for the last 30 years we have had a better record of fiscal discipline," Clinton said.

The former president credited PAYGO rules during his administration for turning deficits in the 1990s into large surpluses. He said the public is demanding fiscal restraint, and the Democrats' efforts to curb spending will endear them more with the public than the opposition displayed by Republicans.

"Don't be discouraged that people don't know about it yet. It's obvious you just need to get out and tell the story," he said.

Clinton said the PAYGO legislation will also force Republicans to admit that massive tax cuts passed under the previous Bush administration have had a large impact on deficits.

"The Republicans have consistently pretended that tax cuts, even to the wealthiest people, aren't somehow part of the budget," Clinton said. "This will put everyone under the same rules."

House Speaker Nancy Pelosi called the legislation "transformational." She said Democrats in Congress will be "subjecting every federal dollar to harsh scrutiny, appropriate scrutiny."

Pelosi credited the so-called Blue Dog Democrats in the House with pushing PAYGO legislation.

"Our Blue Dogs have really, really, been successful of making it a mantra in the Democratic party in the House," she said.

Welch gave the legislation credibility with liberal Democrats, who have been skeptical of the legislation.

House Majority Leader Steny Hoyer of Maryland said Thursday that he believes Democrats will look to move forward with a bipartisan commission Obama has requested to address trimming government debt, even if Congressional Republicans refuse to participate. The debt will double over the next decade at the current spending rate.

"If they determine that they don't want to, then, I think the president will look to Republicans, perhaps former members, perhaps others, that will make a real contribution," Hoyer said. "I think the president will not be precluded from moving forward simply because (House Minority Leader John) Boehner or (Senate Minority Leader Mitch) McConnell choose not to participate."